

**EXECUTIVE ORDER 9817**

**Regulations Governing Awards to Federal Employees for Meritorious Suggestions And For Exceptional or Meritorious Service**

By virtue of and pursuant to the authority vested in me by section 14 of the act of August 2, 1946 (Public Law 600, 79th Congress), I hereby prescribe the following rules and regulations governing the payment of awards for meritorious suggestions of civilian officers and employees and for the incurring of expenses for honorary recognition of exceptional or meritorious service:

**Section 1.** Any civilian officer or employee of a department (as the word "department" is defined in section 18 of the said act of August 2, 1946) who makes a suggestion, in such form and manner as his department shall require, which is adopted for use in the department on or after August 2, 1946, and in the judgment of the department head or other duly authorized authority in the department, has resulted or will result in improvement or economy in the operations of the department by way of monetary savings, increased efficiency, conservation of property, improved employee-working conditions, better service to the public, or otherwise, shall be eligible for consideration for a cash award. A former civilian officer or employee (or his estate) shall be similarly eligible for awards for such suggestions made while in the service of the department.

**Section 2.** Whenever a suggestion is determined to be meritorious and is adopted solely or primarily because it will result or has resulted in the saving of money, the amount of the award shall be based on the amount of the annual estimated saving in the first year of operation in accordance with the following table, unless for special reasons the head of the department shall determine, subject to the limitations prescribed in the said act, that a different amount is justified:

<u>Savings</u>	<u>Awards</u>
\$1-\$1,000 .....	\$10 for each \$200 of savings with a minimum of \$10 for any adopted suggestion.
\$1,000-\$10,000 .....	\$50 for the first \$1,000 of savings, and \$25 for each additional \$1,000 of savings.
\$10,000-\$100,000 .....	\$275 for the first \$10,000 of savings, and \$50 for each additional \$10,000 of savings.
\$100,000 or more .....	\$725 for the first \$100,000 of savings and \$100 for each additional \$100,000 of savings; provided that (with the exception of the War and Navy Departments) the maximum award for any one suggestion shall not exceed \$1,000.

**Section 3.** When a suggestion is adopted primarily upon the basis of improvement in the operations or services of the department, the department shall determine the amount of the award commensurate with the benefits anticipated from the suggestion. Whenever the head of a department believes that a suggestion he has adopted would benefit the Government service generally, he may report it to the Director of the Bureau of the Budget for dissemination to all departments.

**Section 4.** At the end of each fiscal year each department shall report to the Director of the Bureau of the Budget the number of employee suggestions submitted, the number of such suggestions adopted, the total amount of cash awards, and the total amount of estimated annual savings.

**Section 5.** A department may provide for the purchase and award of appropriate certificates, medals, or other emblems, in honorary recognition of service which is determined by the head of the department to be exceptional or meritorious.

**Section 6.** No award shall be paid for any suggestion which is not adopted for use within five years from the date the suggestion is received by the department. Any department may, in its discretion, change the designated period of five years to a less period of time.

**Section 7.** No award shall be paid to any officer or employee for any suggestion which represents a part of the normal requirements of the duties of his position.

**Section 8.** The total of cash awards paid during any fiscal year in any department (except the War and Navy Departments) shall not exceed \$25,000. Cash awards and expenses for honorary recognition for exceptional or meritorious service may be paid from the appropriation for the activity primarily benefiting or may be distributed among appropriations for activities benefiting as the head of the department determines.

**Section 9.** A cash award shall be in addition to the regular compensation of the recipient, and the acceptance of such cash award shall constitute an agreement that the use by the United States of the suggestion for which the award is made shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns.

**Section 10.** This order shall be effective as of August 2, 1946, and shall be published in the Federal Register.

December 31, 1946

Harry S. Truman